

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 01-04
)	
HAWAII DESIGN ASSOCIATES, INC.)	
And MELVIN KURAOKA,)	
)	
Respondents.)	
_____)	

CONCILIATION AGREEMENT

On or around September 2001, Robert Y. Watada, Executive Director for the Campaign spending Commission ("Commission"), initiated an investigation of Respondents Hawaii Design Associates, Inc., located at 1055 Kalo Place, Suite 103, Honolulu, Hawaii and Melvin Kuraoka, its president, (collectively referred to as "Hawaii Design"), pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Hawaii Design and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.

- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this Agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
 - 1. On or around September, 2001, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the Harris 2000 campaign committee, initiated an investigation involving excess contributions in violation of section 11-204(a)(3), HRS.
 - 2. Section 11-204(a)(3), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
 - 3. The election period for Jeremy Harris and the Harris 2000 campaign committee for Mayor of Honolulu include the period from November 6, 1996 to November 7, 2000.

4. For the Supplemental report filed on January 30, 1998, the Harris 2000 campaign committee reports a contribution of \$1,000 from Hawaii Design.
5. For the Supplemental report filed on January 30, 2000, the Harris 2000 campaign committee reports a contribution of \$2,000 from Hawaii Design.
6. For the Supplemental report filed on July 30, 2000, the Harris 2000 campaign committee reports a contribution of \$1,000 from Hawaii Design.
7. For the Final Primary report filed on October 13, 2000, the Harris 2000 campaign committee reports a contribution of \$1,000 from Hawaii Design.
8. That the contributions aggregate to \$5,000 to the Harris 2000 campaign committee for the election period, an excess contribution of \$1,000.
9. Karen Kuraoka, Office Manager for Hawaii Design, acknowledges that an excess contribution of \$1,000 has been made to the Harris 2000 campaign committee in violation of section 11-204(a)(3), HRS.
10. The excess contribution in violation of section 11-204(a)(3), HRS, was not knowing, intentional, or reckless pursuant to section 11-229, HRS.

11. Karen Kuraoka acknowledges that the death of a bookkeeper led to an error in properly posting a contribution made to the Harris 2000 campaign committee in August 1997.
12. Hawaii Design, while in full compliance in reporting contributions as a noncandidate committee, failed to report the one contribution to the Harris 2000 campaign committee in August, 1997.

VII. Settlement Terms

As final settlement of the matter and issues in the Conciliation Agreement #01-04, Hawaii Design understands and agrees to the following:

- (A) Hawaii Design agrees to an assessment of **Five hundred dollars** (\$500) pursuant to section 11-228, HRS.
 - (1) For violation of section 11-204(a)(3), HRS, making an excess campaign contribution to the Harris 2000 campaign committee;
- (B) Hawaii Design agrees to accurately file required reports on campaign contribution and expenditures.
- (C) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire agreement.
- X. This Agreement constitutes the entire agreement between the Commission and Hawaii Design on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Robert Y. Watada, Executive Director

By: _____

Date: _____

FOR THE RESPONDENTS:

Melvin Kuraoka, President
Hawaii Design Associates, Inc.

By: _____

Date: _____

(Name)
(Title)

